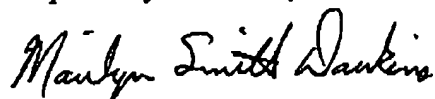


D. SUBSTANCE OF THE INTERVIEW

Claims 1, 2, 4, 5, 9, 11, 12, 13, 15, 16, and 17 remain pending.

A telephonic interview was held between the examiner and Applicants' Attorney, Marilyn Smith Dawkins on April 23, 2004. In the listing of the claims in the REPLY AND AMENDMENT filed 3/31/04, the words "two different merchants" were inadvertently included in claim 1, but these words were deleted in a previously filed paper filed 9/29/03. A new listing of the claims is enclosed herewith with these words removed from the claims to accurately reflect the amendment that had been previously made. In addition to the reasons stated in the REPLY AND AMENDMENT filed 3/31/03 for allowance of the claims over the art, Applicants' Attorney further clarified that cancellation takes place from one merchant to the other, ("sending an electronic communication to the second merchant from the first merchant to cancel the previous committed transaction; and ..." as a result of a successful cancellation transaction of the previous item carried out by the first merchant on behalf of the buyer" ...see claims 1, 4, 5, 15, 16, and 17). Also, as stated in the REPLY AND AMENDMENT filed 3/31/04, the reference merely shows a shopping basket and not "committed" transactions.

Respectfully submitted,



Marilyn Smith Dawkins
Attorney for Applicants
Registration No. 31,140
(512) 823-0094

AUS990886US1

10